



Domestic and solid

Erik Hvesser, SVP Property Management Nordics
Pandox Capital Market Day

May 9, 2017

This presentation may contain forward-looking statements. Such statements are based on our current expectations and are subject to risks and uncertainties that could negatively affect our business and results. Please read our most recent annual report and interim report for a better understanding of these risks and uncertainties.

Erik Hvesser

- Solid operational experience
- Strong hotel property competence
- Extensive commercial experience



Agenda

- Business area Nordics
- Key partners
- Portfolio composition
- Business model
- Strategic agenda

Film

Key market characteristics

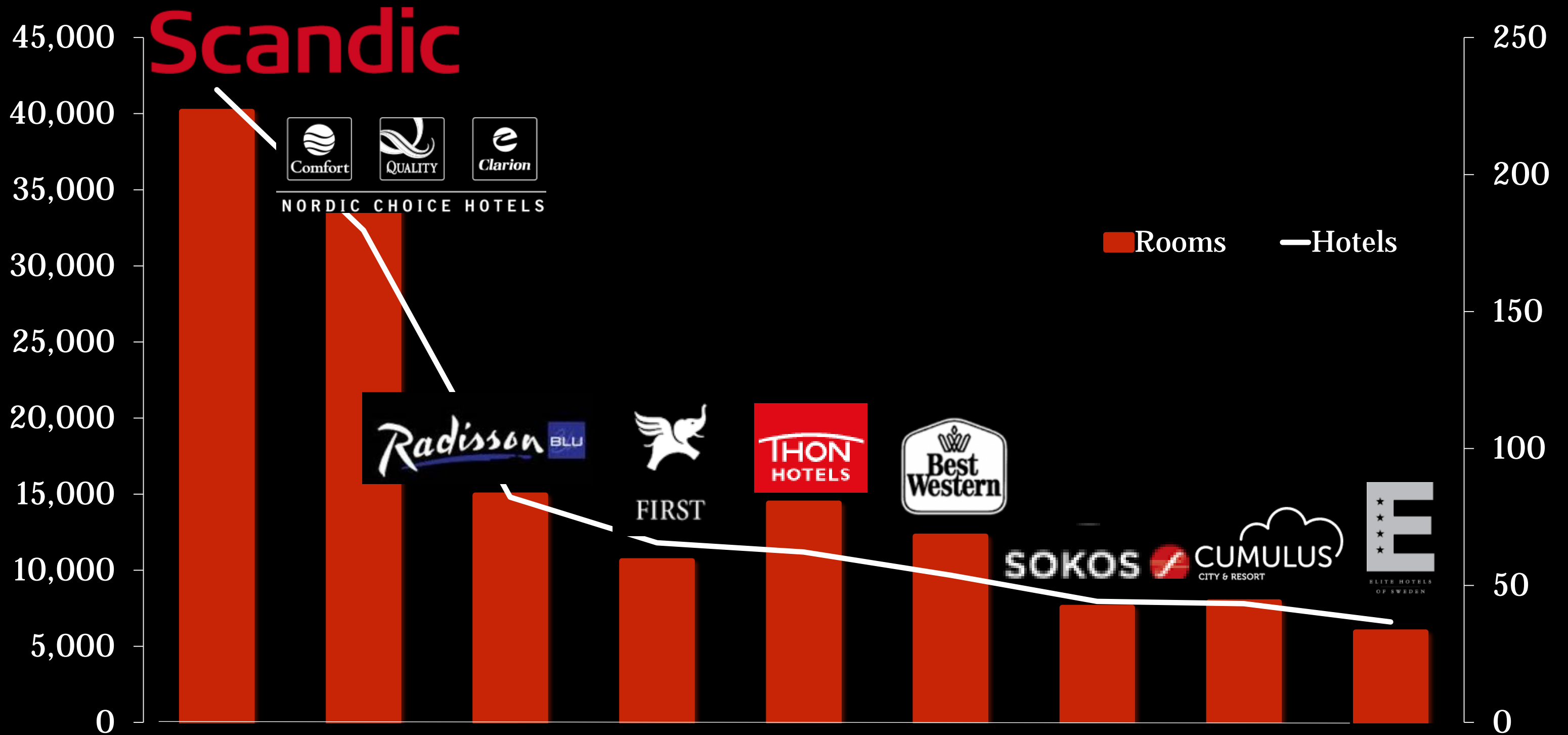
- Domestic demand
- Four capital cities with international demand
- Strong regional hotel markets
- Stable demand
- Lease territory
- Highly consolidated operator market



Who are the operators in the lease market?

Mainly regional and domestic brands
























Source: Pangea Property Partners, Pandox

Highly consolidated market

- Mid-market brands and operators
- Distribution and coverage
- Loyalty programmes crucial

- Superior market penetration...
- ...and operational performance

Pandox has a strong set
of lease partners

Partner	Hotels	Rooms	Countries
Scandic*	50	10,791	   
Nordic Choice	12	1,956	 
Radisson Blu	3	759	 
Hilton	3	717	 
Elite	2	452	
First	2	403	 
Best Western	1	103	 
Meininger	1	225	
Restel	1	135	
Private	4	676	 
Total	79	16,217	

Nordic capital cities with a mix of demand

➤ Nordic capital cities

- A mix of domestic and international demand

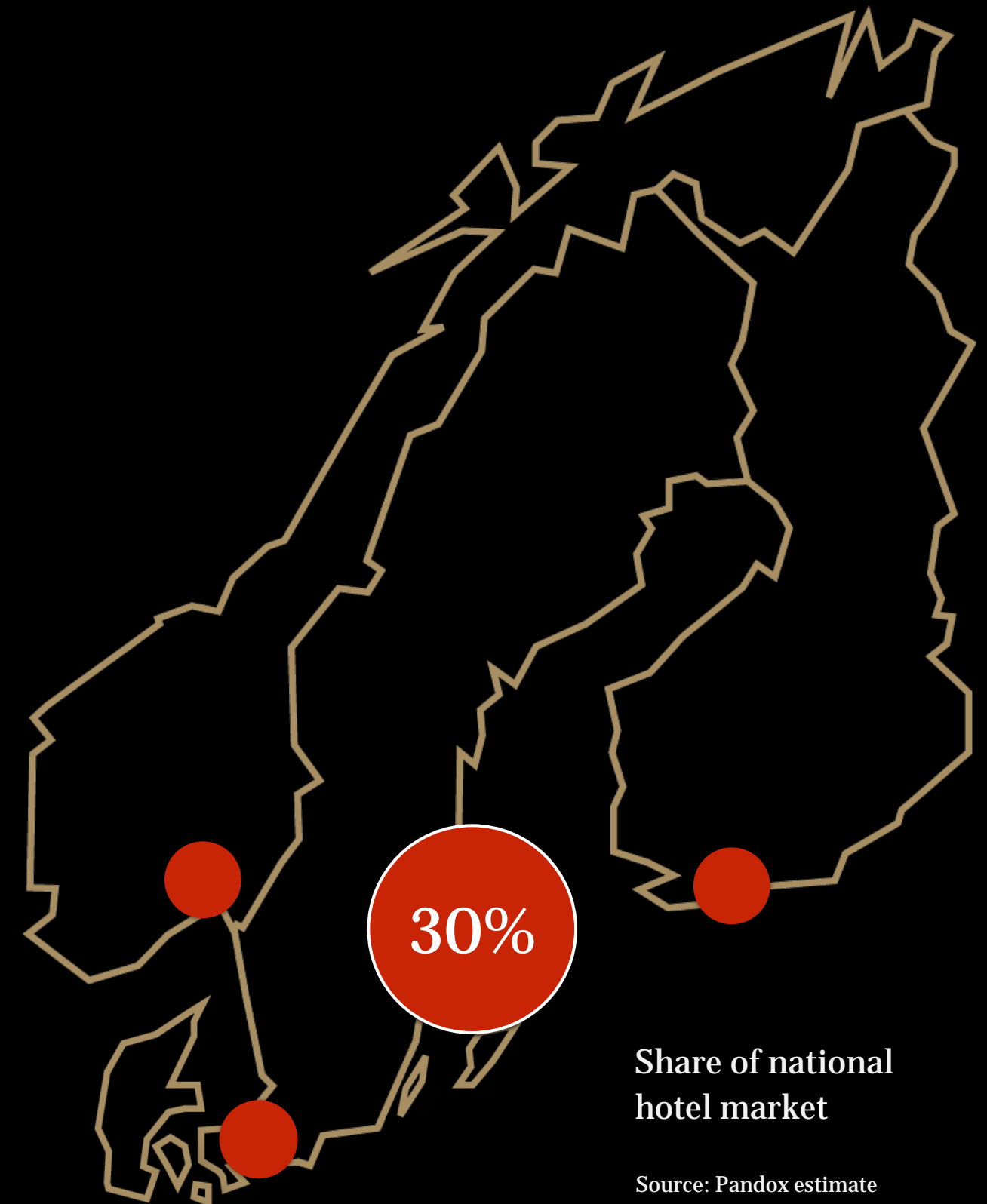


➤ Nordic capital cities

- A mix of domestic and international demand

➤ Stockholm

- The hotel capital of Scandinavia



➤ Nordic capital cities

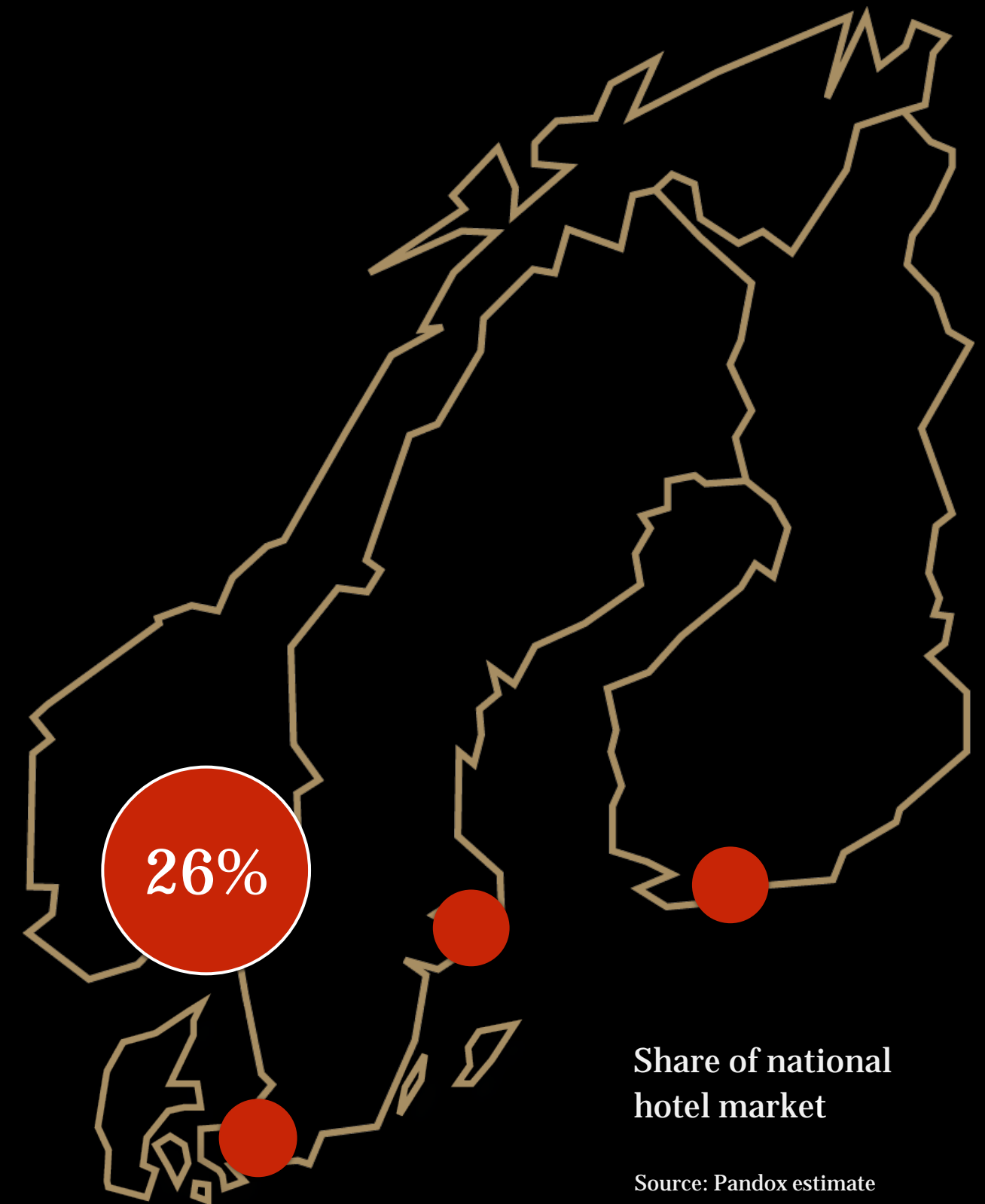
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- The hotel capital of Scandinavia

➤ Oslo

- Major airport hub and domestic meeting market



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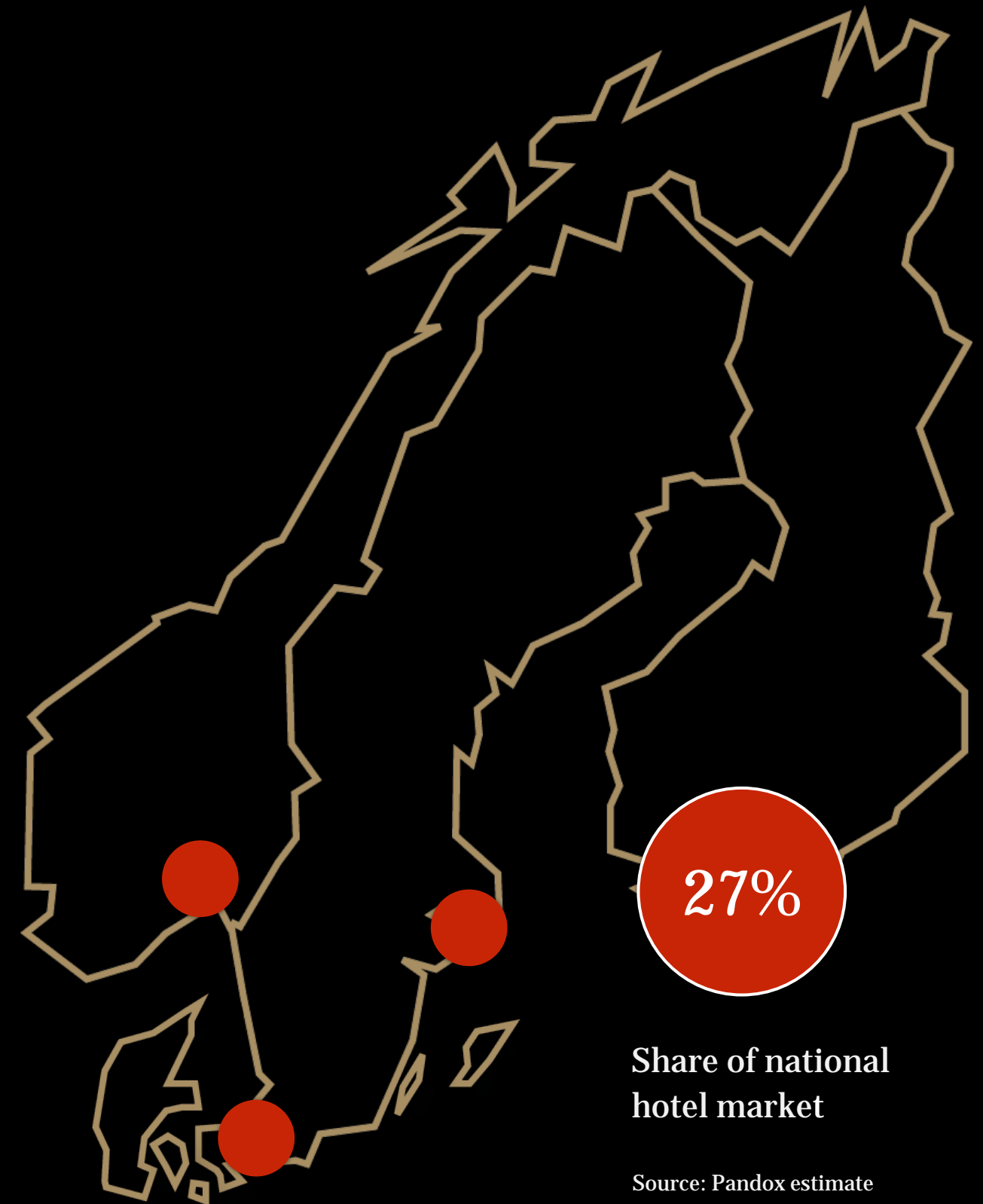
- The hotel capital of Scandinavia

➤ Oslo

- Major airport hub and domestic meeting market

➤ Helsinki

- Asian transit destination. Russian trade and tourism



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- Asian transit destination. Russian trade and tourism

➤ Copenhagen

- A major transfer hub and a big leisure destination



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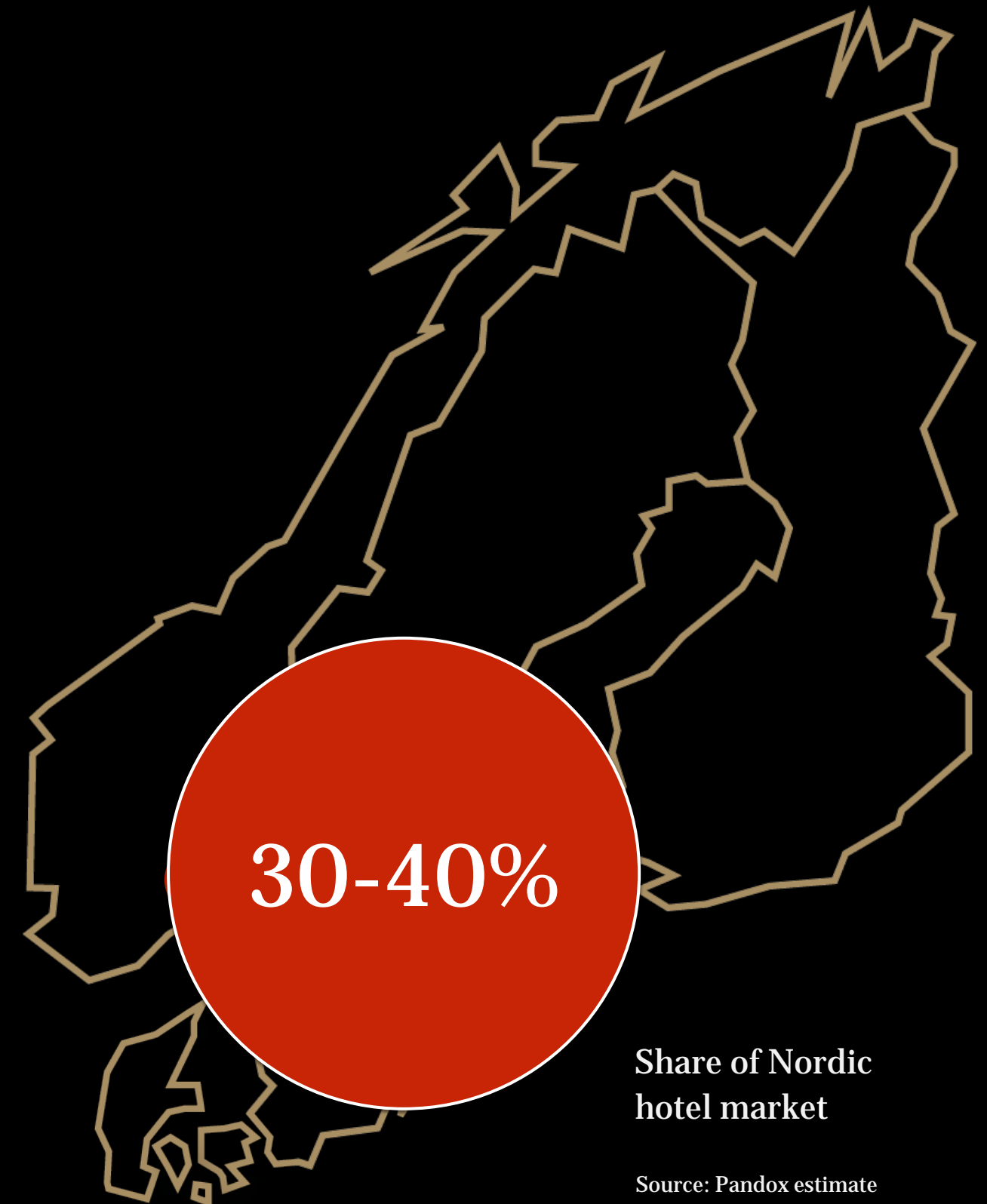
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Regional cities with domestic demand

➤ Major commercial and cultural clusters

- Gothenburg, Malmö/Öresund, Linköping
- Bergen, Stavanger, Trondheim
- Tampere, Turku, Oulu
- Aarhus, Aalborg



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➤ Domestic cities

- Karlstad, Sundsvall, Norrköping and Luleå more
- Bodö, Tromsö, Kristiansand and more
- Kuopio, Kajaani, Jyväskylä and more
- Odense, Kolding and more



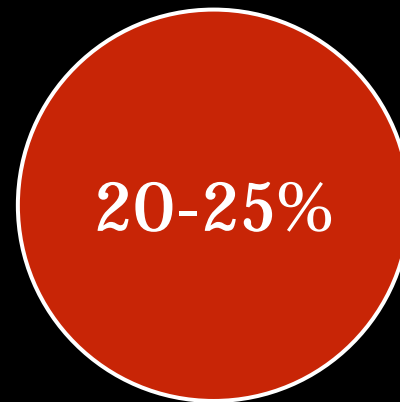
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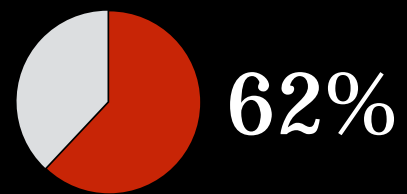
Share of Nordic hotel market

Source: Pandox estimate

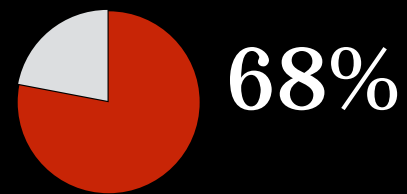
Key facts for the Nordic lease portfolio

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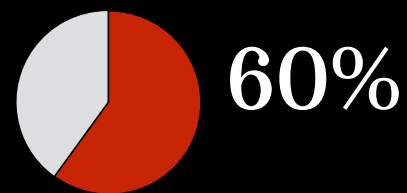
Number of rooms (of total portfolio)



Rental income (of lease portfolio)



Market value (of total property market value)



Cash flow driving investments

**MSEK 900
invested**

From listing

75%
Nordics

**MSEK 900
in pipeline**

As of March 31, 2017

60%
Nordics

“Shark One” with Scandic Hotels Group



40 hotels
3 countries
4,300 rooms
4,800 bathrooms
1,600 windows

Note: Communicated 19 August, 2011



Pandox™

EXCELLENCE IN HOTEL OWNERSHIP AND OPERATIONS

“Shark One” with Scandic Hotels Group



40 hotels
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4,300 rooms
4,800 bathrooms
1,600 windows



1.6bn
Total investment

1.0bn
Pandex's share

12%
Return on investment



Reduced environmental impact

Note: Communicated 19 August, 2011

“Shark two” with Scandic Hotels Group

19 hotels
4 countries
3,437 rooms
Lease extensions
Renovation

470m

Total
investment

235m

Pandox's
share

Solid

Return on
investment

Note: Communicated 30 June, 2016



“Elk” with Scandic Hotels Group

7 hotels
1,434 rooms

”New revenue-based leases signed for 7 Nordic hotels in Operator Activities following repositioning.

Investment programme covering public areas, rooms, new F&B concepts etc.”

Total investment MSEK 225.

Note: Communicated 18 January, 2017



Lease extensions with Elite Hotels

Elite Park Avenue, Gothenburg

900 sqm meeting and event.

16 new hotel rooms.

New F&B concepts and public areas.

Renovation of existing premises.



Elite Stora Hotellet, Jönköping

34 new hotel rooms.

Renovation of existing premises.

Total investment MSEK 125 of which

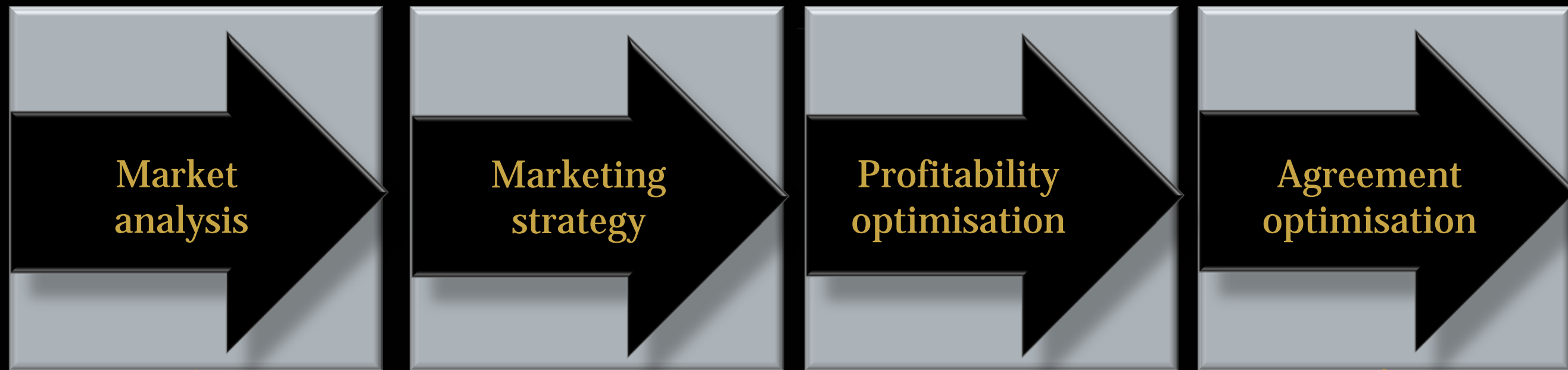
Pandox's share MSEK 65.



Strategic agenda

- Organic growth
- Commercial development with our Nordic partners
- Identify and execute cash-flow driving investments
- Leverage Pandox's strategic Nordic position

The Pandox Model



PANDOX MODEL
A method to maximise cash flow and minimise risk in each hotel investment

Thank you!